Washington State Patrol Retirement System Plan 1

Member's Benefit Estimate Worksheet

This worksheet should answer some of your questions about how your WSPRS Plan 1 retirement benefit is calculated. To assist you in completing the worksheet, we have included an example of "John Doe's" retirement calculation. The results of this retirement benefit estimate are only estimated benefits based on projected salary and service credit. Your actual retirement benefit may be different as it will be based on final employer reporting.

You can retire from WSPRS Plan 1
- Any age, with 25 or more years of service credit, or
- Age 55 or older, with no minimum required service credit. If you leave your State Patrol commission prior to age 55, you must be vested to be entitled to a benefit.

You must retire no later than the first of the month following the month you reach age 60, unless you are the Chief of the State Patrol.

If you are a **vested WSPRS Plan 1 Member, but leave the State Patrol** before retirement, you are entitled to:
- An unreduced benefit at age 60, or
- An "actuarially reduced" benefit as early as age 55.

Vesting
When you have five years of service credit, you have a "vested" right to a retirement benefit when you meet the Plan's age requirement.

How service credit is counted
You receive one month of service credit for every calendar month in which you receive compensation for 70 or more hours. Years of service credit are calculated by dividing total months of service credit by 12.

Benefit Formula
The formula for your monthly service retirement benefit varies according to your length of service.
Years of service x 2% x Average Final Salary (AFS)

Average Final Salary (AFS)
AFS is the average of your two highest-paid years. The maximum retirement benefit is 75 percent of your average final salary.

After Retirement

Cost of Living Adustment (COLA). On July 1 of every year following your first full year of retirement, your monthly benefit will be adjusted by the percentage change in the Consumer Price Index (CPI-U) - Seattle, to a maximum of 3 percent per year.

Survivor Benefits. If you die after taking either a service or disability retirement, your spouse will receive either a monthly benefit equal to your retirement benefit or a benefit equal to 50% of your average final salary, whichever is less. To be eligible for a benefit, your spouse must have been married to you (1.)before your retirement and continuously thereafter, or (2.)for at least two years before your death.

WSPRS Plan 1 Benefit Estimate

Member's Benefit Estimate Worksheet	You	John Doe
Step 1: Determine your anticipated date of retirement.		**Sept. 1, 2005**
Step 2: Determine your total service credit years as of your anticipated date of retirement. 2a. My current balance of WSPRS Plan 1 service credit years		**32**
2b. The number of years until my anticipated retirement date:		**5**
2c. My projected service credit years at retirement: (2a + 2b = 2c)		**32 + 5 = 37**
Step 3: Estimate your Average Final Salary (AFS) -- *See the definition on page 1.*		**$5,000**
Step 4: Compute your benefit. Service years x 2% x AFS 4a. My projected service credit years (2c) x 2 percent:		**37 x .02 = .74**
4b. My AFS (Step 3) x 4a = my standard (Option A) benefit		**$5,000 x .74 = $3,700 per month**

Retirement from inactive status.

If you are **vested in WSPRS Plan 1, but leave the State Patrol** before retirement, you are entitled to:
- An unreduced benefit at age 60, or
- An "actuarially reduced" benefit as early as age 55.

For example, Let's say John Doe resigned his commission at age 35 with 12 years of service credit and an AFS of $4,000. At age 55 he applies for retirement. His benefit would be calculated as follows:

Benefit Calculation
12 years x .02 = .24
.24 x $4,000 = $960

Benefit Reduction for early retirement
.66 x $960 = **$633.60 per month**

Actuarial Reduction for Retirement Before Age 60	
Age at Retirement	Benefit as a Percentage of What You Would Receive at Age 60
55	66%
56	71%
57	76%
58	84%
59	92%